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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

In the Matter of)

Computer III Further Remand)

Proceedings: Bell Operating)

Company Provision of Enhanced)

Services)

CC Docket No. 95-20

COMMENTS OF AT&T CORP.

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April 7, 1995

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COMMENTS OF AT&T CORP.

AT&T Corp. ("AT&T") submits these comments in response to the Commission's Notice of Proposed Rulemaking ("Notice"), released February 21, 1995. With this Notice, the Commission renews its consideration of the regulations that should govern the provision of enhanced services by Bell Operating Companies ("BOCs"), pursuant to a remand of a prior Commission order from the Court of Appeals for the Ninth Circuit.¹ Specifically, the Commission seeks comment (para. 2) on whether, based on current Open Network Architecture ("ONA") requirements, it should lift entirely the existing structural separation requirement imposed on BOCs or whether, alternatively, it should re-impose the

¹ See Notice, para. 1. The Ninth Circuit remanded for further consideration one aspect of the Commission's order in In the Matter of Computer III Remand Proceedings: Bell Operating Company Safeguards and Tier 1 Local Exchange Company Safeguards, CC Docket 90-623, 6 F.C.C. Rcd. 7571 (1991) (the "BOC Safeguards Order").

structural separation obligation for some or all BOC enhanced services.²

AT&T believes that a structural separation requirement should be continued, primarily to foster opportunities to test the feasibility of local exchange competition. AT&T has made clear its objective to seek all conditions necessary to conduct appropriate tests of local exchange and exchange access competition³. As experience over the last decade in the telecommunications industry has shown, the public benefits of promoting competition, where it is feasible, are substantial.⁴ Until the existing local exchange monopolies become competitive, imposition of unbundling requirements and structural separation are among the core conditions necessary to allowing competition to

² Pursuant to Commission order, ONA and other Computer III requirements also apply to GTE Corporation. Application of Open Network Architecture and Nondiscrimination Safeguards to GTE Corporation, CC Docket No. 92-256, 9 FCC Rcd. 422 (1994).

³ See e.g., In the Matter of a Petition for a Declaratory Ruling and Related Waivers to Establish a New Model for the Ameritech Region, Federal Communications Commission, DA 93-481, Comments of AT&T, filed June 11, 1993; In the Matter of Petition of AT&T Communications of Illinois, Inc. for an Investigation and Order Establishing Conditions Necessary to Permit Effective Exchange Competition to the Extent Feasible in the Areas Served by Illinois Bell Telephone Company, Illinois Commerce Commission, Dkt. No. 94-0146, filed April 11, 1994.

⁴ See e.g., Competition in the Interstate Interexchange Marketplace, 6 FCC Rcd. 5880, 5892 (1991) ("IXC Rulemaking Order").

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develop, if it can, while assuring adequate safeguards for consumers.

AT&T will address the broader questions of local competition in its responses to the Petition for Rulemaking of MFS Communications Company, Inc. In the Matter of Unbundling Local Exchange Carrier Common Line Facilities, RM-8614. At a minimum, however, the preservation of structural safeguards for local exchange companies is so important that the Commission should not now act to remove them.

Respectfully submitted,

AT&T CORP.

By



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April 7, 1995

CERTIFICATE OF SERVICE

I, Vi Carlone, do hereby certify that on this 7th day of April, 1995, a copy of the foregoing Comments of AT&T Corp. was mailed by U.S. first class mail, postage prepaid, to the parties listed on the attached service list.



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